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Attorney for Plaintiff
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA fka
THE TRAVELERS INDEMNITY COMPANY OF ILLINOIS

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

TRAVELERS PROPERTY CASUALTY
COMPANY OF AMERICA fka THE
TRAVELERS INDEMNITY COMPANY OF
ILLINOIS,

Case No.: C 06 2573 (SI)

Plaintiff,

**NOTICE OF SETTLEMENT OF CASE
AND STIPULATION TO CONTINUE THE
CASE MANAGEMENT CONFERENCE**

vs.

AMERICAN HOME ASSURANCE
COMPANY and AIG INSURANCE
SERVICES, INC., and DOES 1 through 30,
inclusive,

Defendants

TO THE COURT, ALL PARTIES AND THEIR COUNSEL OF RECORD:

PLEASE TAKE NOTICE that all parties in the above-matter hereby stipulate to the following:

1. This case involves a claim by Plaintiff to address American Home Assurance Company's wrongful denial of the additional insured tender and contractual indemnity tender on behalf of their insured, Gavello Properties. A mediation was held on June 7, 2006 in this case and a settlement was reached. However, the settlement documents in this case have not yet been completed. It is anticipated that the settlement will be completed within the next 45 days. Once the paperwork and payment is exchanged, Plaintiff TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA fka THE TRAVELERS INDEMNITY COMPANY OF ILLINOIS will dismiss this action.

08/03/06 10:42 FAX 558 433 2300

McCORMICK BARSTOW

002

Aug. 3. 2006 9:19AM SMITH McFADDEN LLP

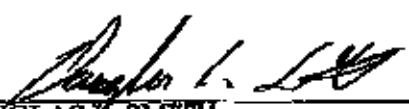
No. 7956 P. 4/4

2. That the Initial Case Management Conference currently scheduled for August 18, 2006
 at 2:00 p.m. be continued to September 29, 2006 at 2:00 a.m./p.m.

IT IS SO STIPULATED.

Dated: August 2, 2006

SMITH McFADDEN, LLP

By: 
 DOUGLAS L. SMITH
 Attorney for Plaintiff
 TRAVELERS PROPERTY CASUALTY COMPANY
 OF AMERICA aka THE TRAVELERS INDEMNITY
 COMPANY OF ILLINOIS

Dated: 8/3, 2006

MCCORMICK, BARSTOW, SHEPPARD,
 WAYTE & CARRUTH, LLP

By: 
 ROBERT K. LANDEN
 Attorney for Defendant
 AMERICAN HOME ASSURANCE COMPANY

IT IS SO ORDERED.

Dated: _____, 2006

SUSAN ILLSTON
 United States District Judge

SMITH McFADDEN, LLP
 7803 Madison Avenue, Suite 710
 Citrus Heights, California 95610-7695
 (916) 966-5973

PROOF OF SERVICE IN COMPLIANCE WITH CCP SECTION 1013(a)(3)

I, the undersigned, hereby declare as follows:

I am employed in the County of Sacramento, State of California, am over the age of 18 years and not a party to the within action; my business address is 7803 Madison Avenue, Suite 710, Citrus Heights, CA 95610.

On August 4, 2006, I served the within **NOTICE OF SETTLEMENT OF CASE AND STIPULATION TO CONTINUE THE CASE MANAGEMENT CONFERENCE** as follows:

- | | |
|--|--|
| <p><input type="checkbox"/> HAND DELIVERED. I delivered the above-described documents to the individuals at the addresses listed below.</p> | <p><input type="checkbox"/> FEDERAL EXPRESS. I placed such envelope fully prepaid on account within the custody of Federal Express at Citrus Heights, California.</p> |
| <p><input checked="" type="checkbox"/> BY MAIL. The above-referenced document(s) were placed in (a) sealed envelope(s) with postage thereon fully prepaid, addressed to each of the below listed parties and such envelope(s) was (were) placed for collection and deposit with the United States Postal Service on the date listed below at 7803 Madison Avenue, Citrus Heights, CA 95610.</p> | <p><input type="checkbox"/> FAX & MAIL. The above-referenced document(s) were personally sent to the addressee's telecopier number and I personally verified said transmission. Thereafter, the above-referenced document(s) were placed in (a) sealed envelope(s) with postage thereon fully prepaid, addressed to each of the below listed parties and such envelope(s) was (were) placed for collection and deposit with the United States Postal Service on the date listed below at 7803 Madison Avenue, Citrus Heights, CA 95610.</p> |

I am readily familiar with the practice of this business for collection and processing of documents for mailing with the United States Postal Service. Documents so collected and processed are placed for collection and deposit with the United States Postal Service that same day in the ordinary course of business.

Robert K. Landen
McCormick, Barstow, Sheppard,
Wayte & Carruth LLP
P.O. Box 28912
Fresno, CA 93720-1501
Telephone: (559) 433-1300
Facsimile: (559) 433-2300

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on August 4, 2006, at Citrus Heights, California.


MICHELLE GUESS

SMITH McFADDEN, LLP
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